# ALBERTA PRECONDITIONED

# ALBERTA CERTIFIED PRECONDITIONED FEEDER PROGRAM

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# PRECONDITIONING

## I. SUMMARY

In spite of unusual conditions, the number of calves enrolled in the Alberta Certified Preconditioned Feeder program increased in 1986. By late summer, producers were optomistic about preconditioning and 40,000 ear tags were sent out to private veterinarians. In September the rains began, harvest was delayed, corrals were wet, fall pastures were lush, and producers became hesitant to precondition and wean calves. Feeder cattle prices were also high, which prompted many producers to sell their calves directly off the cows rather than risk a drop in the market. Other producers had more than ample supplies of feed and decided to keep their calves until spring rather than sell them in the fall. In the end, nearly 22,000 calves were certified under the Alberta Certified Preconditioned Feeder Program. This was an increase of 5,000 head or 27% over 1985 figures.

Producers who preconditioned their calves were able to take advantage of low feed costs, good gains, and a price recovery in December resulting in returns to preconditioning of over $50.00 per calf. An analysis of the sale data, revealed an average premium of $4.99/cwt for steers and $4.91/cwt for heifers. These premiums are consistent with past years. The weighted average premium since the program began is $5.07/cwt for steers and $4.31/cwt for heifers. In most sales the higher premiums were for heavier calves, as the strongest demand for preconditioned calves came from feeders who wished to finish calves to slaughter weights rather than background them for sale in the spring. In 1986, the majority of the ACPF calves remained in Alberta and only an estimated 10 per cent of the calves sold in preconditioned calf sales went to Ontario or Quebec feeders. In other years nearly 30 per cent were shipped to eastern Canada.

Weaning information, gains and costs were obtained from 1434 calves. The average gain during the preconditioning period was 1.96 pound per head per day for steers and 1.71 for heifers. Producers calculated the cost of preconditioning to be $49.00 per calf or $0.42 per pound of gain. The average selling price for preconditioned steers was $109.94/cwt. in December for a return of nearly $0.65 for every pound of

gain. The estimated net return was $62.10 per calf even though the prices dropped approximately $5.00/cwt from September. This excellent return was the result of high weight gains and a long weaning period.

The general health status and estimated costs during the preconditioning period were tabulated from 58 producers including 4,159 calves. The health status of the herds this year was better than 1985. The individual treatment rate before sale was down to 3.7% and death loss dropped to 0.5% Forty per cent of the producers didn't treat any calves and 60% didn't have any death loss.

Feeding programs and costs varied considerably. Producers fed an average of 6.3 lb. of grain, 0.6 lb. supplement and 12.2 lb. of forage per calf per day. The average daily feed cost of $0.57 was $0.12 per pound less than last year. The average cost of processing calves increased to $4.00 per head. This increase resulted from more producers using ivermectin in their preconditioning program.

Preconditioned calves have consistently performed well in the feedlot. Information obtained from 3,785 calves in 1986 showed a substantially lower treatment rate and death loss. The treatment rate in 1986 was 8.7% for preconditioned calves, compared to 21.6% for regular calves in the same feedlots. Death losses were also lower, 0.45% for preconditioned versus 1.35% for regular calves. These figures are very similar to last year. Adding the costs of reduced number of deaths, lower treatment rate, and the reduced cost of processing, preconditioned calves have an advantage of nearly $12.00 per head over regular calves. Many cattle feeders are willing to pay a premium for preconditioned calves because of lower health costs, reduced risk and increased initial gains.

## II. INTRODUCTION

Preconditioning is a program designed to reduce the economic loss caused by stress and disease during the movement of calves from the cow herd to the feedlot. Calves which are weaned, vaccinated, and started on feed by the producer are better prepared to withstand this stress.

Preconditioning is not a new concept to many Alberta producers. The requirements associated with preconditioning are sound management practices which have been followed by some producers for many years. Before 1980, sales of preconditioned calves had been tried at various

locations in Alberta with little success. Cattle buyers and feeders were unwilling to pay a premium for calves that did not carry a guarantee or certificate of the procedures which had been done. The lack of a uniform program and promotion of the concept also contributed to the lack of success and acceptance by cattlemen.

The Alberta Certified Preconditioned Feeder (ACPF) Program developed from meetings held in Ponoka during the spring of 1980. Various representatives of the cattle industry and Alberta Agriculture drafted the initial guidelines for the program. A group of interested producers formed a local society and held their first sale November 8, 1980. The program has now expanded to cover most of the Province.

In 1981, an Advisory Committee was established by Ministerial Order to provide guidance and authority in the operation of the program. Representation on the committee consisted of three cattle producers, three representatives of Alberta Agriculture, and one each from the Alberta Veterinary Medical Association, the Alberta Cattle Feeders Association and the Alberta Auction Market Association. In 1984 it was recommended that the committee be expanded to include a member from the Alberta Cattle Commission. Each year at the annual meeting of the Advisory Committee representatives have the opportunity to propose and discuss changes to the program. Program requirements and operating guidelines are recommended to the Minister of Agriculture by the committee.

## III. ACPF PROGRAM REQUIREMENTS

In the ACPF Program, preconditioned calves must be:

1) At least 4 months of age prior to being vaccinated.
2) Owned by the operator 45 days prior to sale or shipment.
3) Castrated and dehorned at least 3 weeks prior to sale or shipment.
4) Vaccinated with IBR/$PI_3$ and multi-clostridal (7-way) vaccine 3 weeks prior to sale or shipment.
5) Treatment for warble grubs at least 3 weeks prior to sale or shipment.
6) Weaned for a minimum of 45 days.
7) Tagged with a green ACPF ear tag in the right ear.
8) Accompanied by an official ACPF certificate <u>completed</u> and <u>signed</u> by both the veterinarian and the producer.

Other vaccination and management practices can be added at the discretion of the producer and recorded. Information on the feeding program and breeding background is also recorded on the preconditioning certificates.

The paid veterinary visit for ear tagging and certification was reinstated in 1984 to help increase the number of preconditioned calves offered for sale and assist the expansion of the program into new areas. Each cow-calf producer will be provided with one veterinary visit per year to a maximum of three years for certification of preconditioned calves. Private veterinarians are paid directly by Alberta Agriculture.

## IV. ACPF PROGRAM ADMINISTRATION AND OPERATIONS

The Health Management Branch, Animal Health Division of Alberta Agriculture was responsible for the administration of the program. A consultant was hired for the winter months to co-ordinate the program, to collect data on calf performance during weaning, sale data, feedlot performance and compile the annual report. Eartags and certificates were issued to practicing veterinarians through the District Agriculture offices. Private veterinarians supervised the vaccination and treatment of the calves, ensured that dehorning and castration had been completed properly, applied the green eartags and recorded the times and products used on the certificates.

After all of the requirements of the ACPF Program were met, both the calf producer and veterinarian signed the certificate to certify that the tagged cattle were fully preconditioned. Following completion of the certificate and before the sale, one copy was sent to the Branch where it was retained on file. The original copy accompanied the calves at the time of the sale so that the information could be assembled into a catalogue and made available to the buyers.

District Agriculturists continued to support the program by providing information and assistance to producers, auction market operators and the ACPF co-ordinator. They also conducted on-farm preconditioning trials, distributed the eartags and certificates, organized information meetings and sales, prepared the sale catalogues and obtained much of the sale price data. The Marketing Branch of Alberta Agriculture organized and coordinated national advertising of the ACPF sales. A brochure outlining the program, sale dates and locations

was prepared and distributed by the Auction markets. Posters announcing sale locations and dates were distributed locally.

## V. RESULTS OF THE 1986 ACPF PROGRAM

This has been an excellent growth year for the program. A total of 21,883 calves were certified as preconditioned by veterinarians. This compares to 17,247 calves last year, which represents an increase of 27%. These figures are included in Table 1. The increased numbers came from the central and northern part of the province, with the largest increase occuring in the Red Deer region where numbers nearly doubled. The numbers in the southern part of the province, actually decreased, probably due to the abundance of fall grazing. Table 2 shows the distribution of calves enrolled in the Alberta Certified Preconditioned Feeder Program in 1986. Table 3 shows the number of preconditioned calves sold at the major sales in Alberta.

The number of certified preconditioned calves sold by auction was similar to 1985. The sale showing the greatest increase was Provost. They had a very successful sale with 962 preconditioned ranch calves. Grande Prairie and Clyde also increased their number in 1986. The central Alberta sales at Ponoka and Red Deer were similar to last year. At Ft. Macleod, the number of Alberta Certified Preconditioned calves sold increased from 1985, however, the total number of preconditioned calves sold decreased as the Prime Feeders Preconditioning Program was discontinued. Edmonton was the only sale which had a substantial decline in numbers, and it appears these calves moved to Clyde or Ponoka as both these sales were up in numbers.

Some auction markets and cattle feeders assembled and preconditioned calves in September and early October to increase numbers in the preconditioned sales. This is a high risk proposition as they are often weaning, mixing, vaccinating, castrating and dehorning the calves at the same time; resulting in higher than average treatment rates and death loss, as well as lower gains. When calves are preconditioned at home, this high stress situation is avoided. Many of the individuals who assembled calves in 1986 lost money, which demonstrated that preconditioning benefits the feedlot buyer.

Table 1: Number of ACPF Calves Certified and Sold 1980 - 1986

| YEAR | LOCATIONS | SALES | NUMBER OF PRODUCERS | PRECONDITIONED CALVES CERTIFIED | SOLD[1] |
|---|---|---|---|---|---|
| 1980 | 1 | 1 | 6 | 867 | 900 |
| 1981 | 4 | 7 | 92 | 5,317 | 4,014 |
| 1982 | 9 | 14 | 198 | 11,594 | 6,339 |
| 1983 | 10 | 11 | 111 | 8,410 | 4,879 |
| 1984 | 11 | 12 | 253 | 17,124 | 9,150 |
| 1985 | 18 | 19 | 230 | 17,247 | 9,467 |
| 1986 | 18 | 22 | 284 | 21,883 | 9,023 |

[1] Sold through monitored auction markets in Alberta.

Table 2: Distribution of Preconditioned Calves in Alberta 1986

| REGION | NUMBER OF PRODUCERS 1986 | CALVES CERTIFIED PRECONDITIONED 1986 |
|---|---|---|
| 1. Lethbridge | 31 | 2,539 |
| 2. Calgary | 10 | 607 |
| 3. Red Deer | 69 | 8,173 |
| 4. Vermilion | 55 | 3,877 |
| 5. Barrhead | 76 | 4,876 |
| 6. Grande Prairie | 37 | 1,901 |
| 7. British Columbia | 2 | 163 |
| 8. Saskatchewan | 4 | 248 |
| TOTAL | 284 | 21,883 |

Table 3: Numbers of Certified Preconditioned Calves Sold in 1986 Sales

| LOCATION | DATE | NUMBER OF CALVES |
|---|---|---|
| Clyde | December 1 | 1100 |
| Ft. Macleod | December 4 | 914 |
| Grande Prairie | December 5 | 905 |
| Edmonton | December 5 | 361 |
| Ponoka | December 6 | 1788 |
| Red Deer | December 8 | 993 |
| Provost | December 12 | 962 |
| Other Sales (1) | Approximate | 2000 |
| Total | | 9023 |

(1) Other sales, Rimbey, Rocky Mountain House, Innisfail, High River, Killam, Lacombe, Lethbridge, St. Paul, Stettler and Drayton Valley.

ACPF Sale Results

The average prices and premium at the major Certified Preconditioned sales are summarized in Table 4. A total of 7,023 calves were sold through these sales, representing more than 80% of all the Alberta Certified Preconditioned calves sold by auction. The prices were obtained through the cooperation of the individual auctions. In most cases, the scale ticket information was entered into the Canfax computer program and weighted average prices were obtained for each 100 lb. weight class. The weighted averaged prices for the 400-499, 500-599 and 600-699 lb. weight classes were averaged to arrive at the comparison price. These weight ranges represent over 90% of the calves in most preconditioned sales. The price premium was determined by calculating weighted averages for the sale before and the sale after and comparing these to the prices at the preconditioned calf sale. This calculation doesn't account for any variation in quality between the sales. However, the quality in the regular sales is generally comparable to that in the preconditioned sale. In the sales with large numbers of assembled calves the average prices are lower and therefore, these premiums appear

smaller. However, producers felt home grown preconditioned calves brought good premiums in these same sales.

At Ft. Macleod the sale before and after included only small numbers of calves and could not be used for comparison. Regular calves which were sold in the preconditioned sale were used instead. These regular calves often sell higher than normal since preconditioned calves have established a higher prices. In Table 4, Ft. Macleod appears to have lower premiums, but the average prices are actually much higher than the other sales for both steers and heifers.

In most sales, heavier calves brought the higher premiums. For example, at the Ponoka sale the average premium for preconditioned steer calves was $6.39/cwt, while the premium for calves under 500 lb. was $5.81 and $6.82 for calves in the 500-600 lb. range. At Red Deer the highest premiums were for steer calves in the 600 pound range. The strongest demand for preconditioned calves came from the cattle feeders who wished to finish the calves to slaughter weights. Those most critical of the program are often cattle feeders who backgrounder calves and want a small, leaner animal to maximize their gains on grass the following summer.

The buying condition on preconditioned calves in the major sales was good. The majority of calves were delivered to the markets the day before the sale and were given access to grass hay, but only limited amounts of water. In two herds where the calves were weighed when they were loaded for sale and the weights compared to the selling weights the shrink was found to be between 4.5% and 5%.

Lower premiums were usually observed at the small and mixed sales. Buyers are often reluctant to start filling a load of preconditioned calves if they will not be able to complete it without mixing in regular calves. This fact lowers the value of the preconditioned calves. It has been suggested by some buyers that the small sales should begin with their largest drafts of preconditioned calves so that buyers become committed to them early in the sale.

Price premiums for previous years are compared in Table 5. The average premium for 1986, was $4.99/cwt for steers and $4.91/cwt for heifers. These are consistent with the seven year averages of $5.06/cwt for steers and $4.31/cwt for heifers. These premiums indicate a strong demand for Certified Preconditioned calves in Alberta.

Table 4: Preconditioning Premium[1] 1986

| | | STEERS | | | HEIFERS | | |
|---|---|---|---|---|---|---|---|
| | Date of Sale | No. of Calves | Ave. Price $/cwt | Premium $/cwt | No. of Calves | Ave. Price $/cwt | Premium $/cwt |
| Clyde | Dec. 01 | 596 | 105.66 | 5.99 | 504 | 99.5 | 7.37 |
| Ft. MacLeod | Dec. 04 | 712 | 110.02 | 1.37[2] | 202 | 101.88 | 3.60[2] |
| Grande Prairie | Dec. 05 | 604 | 101.28 | 6.13 | 301 | 94.98 | 3.69 |
| Ponoka | Dec. 06 | 847 | 108.74 | 6.39 | 941 | 97.38 | 4.01 |
| Red Deer | Dec. 08 | 586 | 105.56 | 2.85 | 407 | 94.81 | 5.51 |
| Provost | Dec. 12 | 611 | 108.99 | 7.14 | 351 | 99.02 | 4.83 |
| TOTAL WEIGHTED AVE. | | 3956 | 106.94 | 4.99 | 2706 | 97.85 | 4.91 |

[1] The preconditioning premium is determined by averaging the weighted average price for the weight classes 400-499 lb, 500-599 lb and 600-699 lb calves in the preconditioned calf sales, and comparing these to the same average at the same location for the regular calf sale before and after the preconditioned sale.

[2] Compared to regular calves sold at the same sale.

Table 5: Price Premiums for Preconditioned Calves by Year (1980-1986)

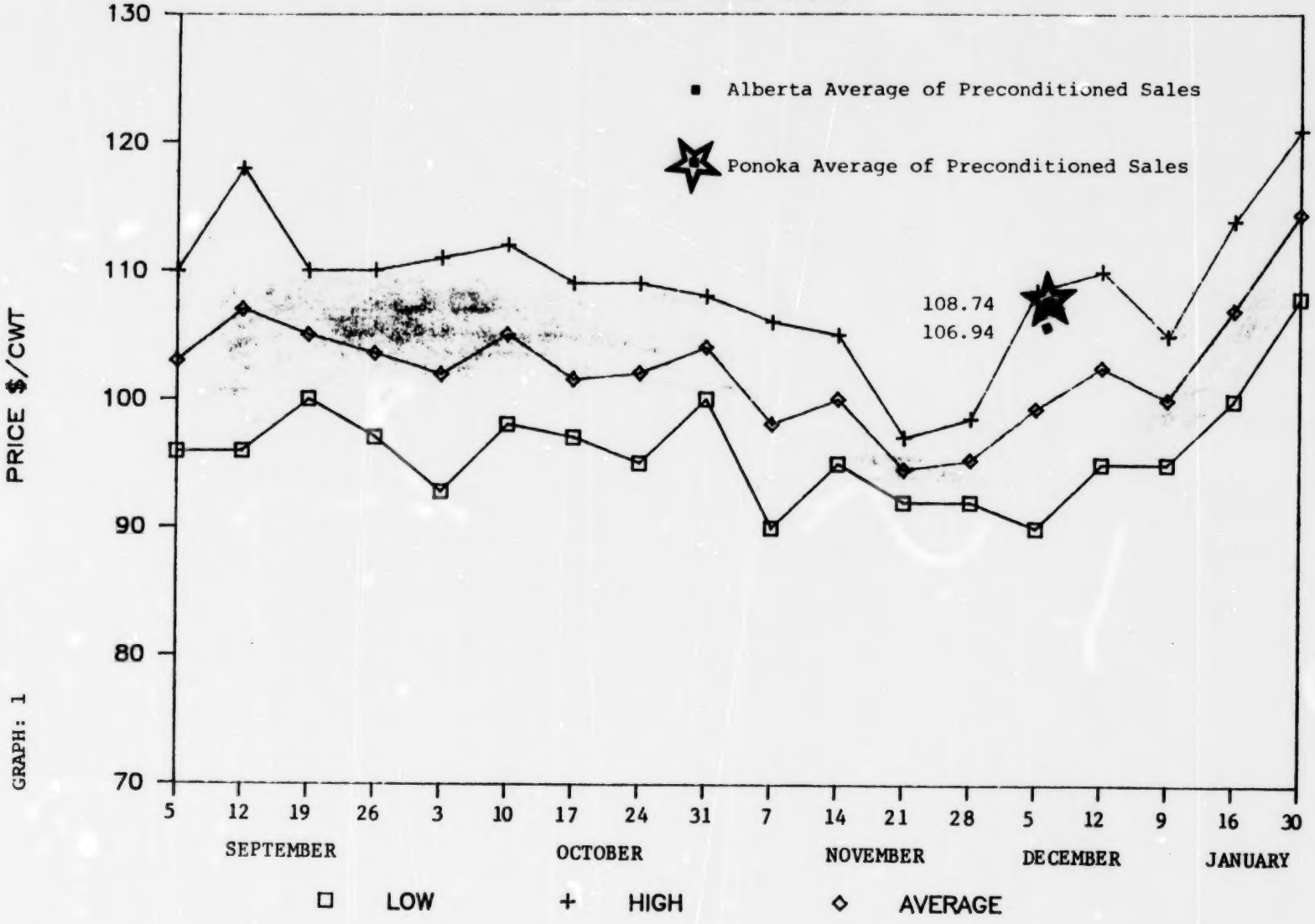
| | | STEERS | | HEIFERS | |
|---|---|---|---|---|---|
| YEAR | NO. SALES | NO. HEAD | PRICE PREMIUM | NO. HEAD | PRICE PREMIUM |
| 1980 | 1 | 495 | 5.66 | 223 | 4.04 |
| 1981 | 6 | 1,518 | 4.04 | 1,493 | 2.66 |
| 1982 | 7 | 2,827 | 5.56 | 1,683 | 5.74 |
| 1983 | 8 | 2,605 | 4.50 | 1,574 | 2.43 |
| 1984 | 7 | 5,264 | 4.67 | 3,386 | 4.68 |
| 1985 | 7 | 4,439 | 5.90 | 3,028 | 4.40 |
| 1986 | 6 | 3,946 | 4.99 | 2,701 | 4.91 |
| TOTAL OVERALL AVERAGE PRICE | | 21,094 | 5.06 | 14,088 | 4.31 |

The number of calves skimmed to eastern Canada was down this year as buyers were unable to compete with the strong local demand. It is estimated that only about 10 per cent of the calves sold in preconditioned sales went to Ontario or Quebec, whereas, in other years nearly 30 per cent of the calves were shipped east. The majority of calves that were purchased by eastern buyers were top quality reputation calves.

The strong feeder prices in September caused many producers of preconditioned calves to be sceptical if the prices would remain high until the December preconditioned calf sales. In fact the market did drop until mid-November as indicated in Graph 1. The shaded area represents the price range for 500-600 lb. feeder calves at Ponoka from September to January. The line in the center represents the average price. The market price dropped from an average of $107 per cwt. in mid-September to $95 per cwt. for similar weight calves in mid-November. However, the price for 500 - 600 pound preconditioned calves rebounded to

# PONOKA PRICE

## 500–600 LB. STEER CALVES




GRAPH: 1

106.91 per cwt. in December. As a result, those producers that continued through with the program received the same prices in December as they would have in September. With the low cost of gain this year they made a substantial profit on the extra weight gains from keeping their calves an extra three months.

Weaning Performance

Weaning weight information was obtained from 15 producers, involving a total of 1,434 calves representing most areas of the province. (Table 6). The average herd size was 87 head. The performance ranged from an average daily gain of 0.72 lbs. in one group of heifers to 2.8 lbs. in a group of heavy charolais cross steers. The gain for the total group was 129 pounds in 65 days for the steers, for an average daily gain of 1.96 lbs. per head while the heifers gained 96 pounds in 56 days, for an average daily gain of 1.71 pounds per head. Total cost of preconditioning these calves ranged from $28.30 to $85.43 with an average of $49.14 per head for a cost per pound of gain of $0.42. This cost includes feed, treatment, processing and labor costs, but not interest.

Using the information in Table 6 it is possible to estimate a profit for preconditioning. The average selling weight of these steers was 595 pounds and if they were sold for $106.94/cwt in December (the Alberta average price for preconditioned calves) the gross return would be $636.29. From this year figure the cost of preconditioning of $49.14 and death loss of $3.13 should be subtracted to result in a value of $584.02. The value of the same calf at weaning at 466 pounds and $112.00/cwt (top price for steer calves at Ponoka, October 10) was $521.92. This leaves a profit (difference) of $52.10 even though the price has dropped more than $5.00/cwt due to the calves being sold in a heavier weight class. The reason is the good gains and low cost of gain. For every pound of gain, the producer made nearly $0.65 per pound.

Table 6: Performance - Weaning to Sale

| | | | |
|---|---|---|---|
| Number of Herds | | 15 | |
| Number of Calves | | 1434 | |
| Steers - 1001 head | starting weight, lb. | 466 | |
| | selling weight, lb. | 595 | |
| | gain, lb. | 129 | |
| | 65 days, Ave. daily gain | | 1.96 |
| Heifers - 433 head | starting weight, lb. | 477 | |
| | selling weight, lb. | 573 | |
| | gain, lb. | 96 | |
| | 56 days, Ave. daily gain | | 1.71 |
| Total cost; $/head | | | 49.14 |
| Cost per pound of gain, $/lb. (includes labor, but no interest) | | | 0.42 |

ACPF Producer Survey

Table 7 summarizes the results of the producer survey. All producers on the preconditioning program were asked to complete a survey of their herd's performance. This year 58 producers representing 4,159 calves responded to the survey. The average herd size was 76 head. The number of days weaned has increased from 50 days to 58 days, whereas the requirement was only 45. With low feed costs and high calf prices, producers realized increased returns with longer weaning periods in 1986.

The general health status of the herds this year was better than 1985. The number of individually treated animals decreased to 3.4% from 4.6%, and the death loss decreased to 0.5% from 0.7%. The proportion of calves which required mass medication was 24.1%, compared to 20.5% in 1985. However, only 14% of the herds utilized mass medication. It appears the larger herds are more likely to use mass treatment whenever a

disease outbreak is suspected. The average size of the herds which were mass treated was 116 head compared to the overall average size of 76 head. The mortality due to respiratory problems in the herds which were mass treated was only 0.2%. The overall mortality rate from respiratory problems was 0.1%. It appears the mass treatment was used more as a preventive than as a treatment of severe problems. Bloat is still the major single cause of mortality accounting for 0.3%. Treatment costs averaged $6.91 per head for animals individually treated. Total treatment costs over the whole group amounted to $0.76 for every calf preconditioned. The overall health status was good and 40% of the producers didn't treat any animals and 66% didn't experience any death loss.

The rations fed to preconditioned calves varied from high roughage rations with only 1.5 lbs. of grain, to high energy rations with 10 lbs. of grain per head per day. Most rations consisted of grain supplement and free choice hay. The average daily intakes were 6.3 lbs. of grain, 0.6 lbs. of supplement and 12.2 lbs. of forage.

The survey revealed that processing costs increased and feed costs went down even though the feeding period was increased. Grain costs were down by nearly one cent per pound and roughage was in good supply at moderate prices. The daily feed costs of $0.57 was down $0.12 from last year. Processing costs have increased substantially from $2.65 per head in 1985 to $4.00. This increase was a result of more producers using ivermectin in their programs.

## Producer Comments

Those producers who went ahead with preconditioning this fall were very positive. Again, 90% of the producers that answered our questionnaire said they would continue to precondition their calves. On average, the producers have preconditioned calves for 2.5 years. Nearly 40% have preconditioned for more than 3 years and preconditioning has become part of their operation. Since the beginning, the Alberta Certified Preconditioned program has emphasized this concept. The comment: "We feel the steps we take to precondition are a part of any good management program, perhaps preconditioning has made us more aware of these management tools," supports this point.

Table 7: Summary of 1986 Survey of Producers of Preconditioned Calves

| | |
|---|---|
| **Production Data** | |
| Total Number of Calves | 4159 |
| Average Herd Size | 76 |
| Average Selling Weight - Steers, lb. | 606 |
| - Heifers, lb. | 579 |
| Days Weaned, Average | 58 |
| **Health Data** | |
| Calves Individually Treated, % | 3.4 |
| Calves Mass Medicated, % | 24.1 |
| Death Loss - Total, % | .5 |
| - Bloat, % | .3 |
| **Cost Data** | |
| Feed, $/Head | 33.19 |
| Vaccine and Insecticides, $/Head | 4.00 |
| Treatment Cost, $/Head | .76 |
| Labor - 1.1 hr. at $10.00/Calf | 11.00 |
| Total, $/Head (not including interest) | 49.19 |

"I feel this is a very good program, and intend to build a reputation as a certified preconditioning producer. I think the only complaint I have is of people selling calves as preconditioned and the calves going through the ring have not been dehorned or castrated. These people are claiming the same benefit of your program (ACPF) even though the calves are not certified". The comment shows the need for producers and auction markets to work together to get all producers of preconditioned calves to follow the program and have the calves certified and identified with the green tag. This will produce an identifiable product and a strong market demand. As one producer put it: "We have used this method of operation for years in preparation for backgrounding our own calves, but will be using certification now for increased marketing options". Others have added: "More education is needed - both producers and feeders. Many farmers had heard nothing or knew nothing about the conditioning program. Auction Marts could give more information even at time of sale to help educate these people".

"The Preconditioned Program should continue to be promoted extensively, as the more producers that participate, the more consistent premiums will be. The problem right now is that there are not enough preconditioned calves for sale and large feedlots are not able to fill their orders. They either want all preconditioned or none".

Alberta Agriculture continues to advertise the program through the media and through publications. This year a new brochure was distributed to the auction markets, veterinarians and district agriculturists. It was very effective; producers felt we had increased our advertising budget, but in fact it had been reallocated.

Some constructive criticisms have been, "I feel an improvement would be to precondition, then allow calves to be with cows for another 2-3 weeks. I also feel a 60 day minimum weaning period would benefit the producer because of two reasons:

1) Calves have more weight and settle in very well.
2) Buyers more willing to look at preconditioned calves at premium prices because the calves are already gaining well and settle in."

"Preconditioning means different things to different people. A producer may wean calves and put them on a cover crop for 45 days. These calves would still qualify for the program, but would still not be used

to waterers and feed bunks, grain, etc. The buyer may or may not be aware of this. You can not force all producers to put their calves in a feedlot situation but maybe you could classify the type of feeding and environment after weaning; that way the buyer will know exactly what the calf was treated like."

These are both good comments, the present program outlines minimum requirements that must be met, but we encourage producers to get the calves through the stress of castration, dehorning, vaccination and warble treatment while the calves are still on the cow, and to go to longer weaning periods to get more gain on their calves as this producer outlined.

The type of feeding program used to precondition calves is not defined at present, however, we do encourage producers to specify the type of ration since weaning on the preconditioning certificate. This gives the buyer an opportunity to select calves on a feeding program similar to his own.

ACPF Feedlot Survey

Information was collected from feedlots which purchased calves that had been preconditioned on either the Alberta Certified Preconditioned Feeder Program or a program which met all the qualifications of this program. A total of 3,785 calves were monitored in 24 feedlots. Thirteen of these feedlots also had comparable calves bought through regular market channels.

Treatment rates and death losses (Table 8) were substantially lower in the preconditioned calves. The Alberta data shows the treatment rate to be 9.5% of the 3,277 preconditioned calves compared to 23.0% of the 9,294 regular calves. Death losses were 0.45% in the preconditioned and 1.38% in the regular calves over the first week period in the feedlot. Those feedlots which received both regular and preconditioned calves reported similar figures; 9.6% treated and 0.47% death loss for preconditioned calves compared to 23.0% treated and 1.38% dead for regular calves. Several of these feedlots provided shrink figures for sale weight to arrival weight. The preconditioned calves shrank 1.1%, while the shrink for regular calves was 2.5%.

Although fewer calves went to eastern buyers this year, we were able to get information from three feeders on 508 preconditioned calves and

127 comparable regular calves. The preconditioned calves had a much lower treatment rate, but there was no death loss in the regular calves. One buyer kept good records on the shrinkage during trucking to Ontario. He calculated the shrink for 362 preconditioned calves to be 4.5%; while 83 regular calves shipped the same method shrank 7%. The main difference in the shrinkage was probably that since preconditioned calves were familiar with feed bunks and automatic waterers they consumed more hay after the sale and before shipping than regular calves.

To obtain a better overall evaluation of the health status of preconditioned calves, the performance data of ACPF calves since the program began was compiled in Table 9. The data now involves over 12,000 calves in Alberta and 2,500 in Ontario. The overall figures show a treatment rate of 9.2% and death loss of 0.6% for the Alberta preconditioned calves compared to a 22.0% treatment rate and 1.7% death loss for regular calves. In Ontario the treatment rate for preconditioned calves was 8.2% compared to 24.8% in regular calves and the death rate was 0.2% compared to 0.7% for the regular calves. The treatment rates referred to in these charts are for individual treatments. Of the 24 feedlots which returned information, six mass treated some of the preconditioned calves. Only two of these had individual treatment rates over 10%. The others appeared to be using the mass treatment more as a preventive measure rather than a treatment.

The cattle feeders estimated their average treatment cost to be $8.80 per animal treated. If we consider the difference between the treatment rates, (23% - 9.5%) of 13.5%, this amounts to $1.19 in favor of the preconditioned calves. This figure could at least be doubled to include labor costs. The difference in death loss of nearly 1% would add another $5.50, plus the reduced cost of processing of $4.00, to give an advantage to the preconditioned calves of $11.90 per calf. When this figure is added to the difference in risk and gain, it can be seen why feeders are willing to pay a premium for preconditioned calves.

More than 90% of the cattle feeders who returned our survey said they were happy with the program and would purchase preconditioned calves again. The majority felt the increased 45 day weaning period was beneficial, while three feeders would prefer a 60 day weaning period. The major comments were to include an ITEME vaccination in the program.

Table 8: Health Performance of ACPF Calves Surveyed in 1986

| PROGRAM TYPE | NUMBER OF LOTS | NUMBER OF ANIMALS | PERCENT TREATED | PERCENT DIED | FEED[1] ADAPTATION |
|---|---|---|---|---|---|
| ALBERTA | | | | | |
| Preconditioned | 21 | 3,277 | 9.5 | .45 | 1.35 |
| Regular | 11 | 9,294 | 2.30 | 1.38 | 1.88 |
| ONTARIO | | | | | |
| Preconditioned | 3 | 508 | 5.9 | .39 | 1.7 |
| Regular | 2 | 127 | 19.7 | 0 | 2 |
| OVERALL | | | | | |
| Preconditioned | 24 | 3,785 | 8.7 | .45 | 1.39 |
| Regular | 14 | 9,421 | 21.6 | 1.35 | 1.89 |

[1] Feed adaptation was coded as 1 for no problem to 4 for major problems.

Table 9: Health Performance of ACPF Calves 1980 - 1986

| | PRECONDITIONED | | | REGULAR | | |
|---|---|---|---|---|---|---|
| | NO. CALVES | PERCENT TREATED | PERCENT DIED | NO. CALVES | PERCENT TREATED | PERCENT DIED |
| ALBERTA | | | | | | |
| 1980 | 236 | 7.6 | 0.0 | 1,088 | 18.7 | 1.0 |
| 1981 | 1,513 | 17.9 | 1.2 | 627 | 26.8 | 1.0 |
| 1982 | 2,724 | 7.3 | 0.5 | 3,269 | 15.5 | 2.0 |
| 1983 | 2,033 | 10.4 | 0.5 | 2,775 | 29.9 | 2.8 |
| 1984 | 1,842 | 6.8 | 0.9 | 2,387 | 15.0 | 2.6 |
| 1985 | 1,161 | 3.8 | 0.2 | 2,067 | 27.2 | 1.2 |
| 1986 | 3,277 | 9.5 | 0.5 | 9,294 | 23.0 | 1.4 |
| TOTAL | 12,786 | 9.2 | 0.6 | 21,507 | 22.0 | 1.7 |
| ONTARIO | | | | | | |
| 1980 | 213 | 12.0 | 0.6 | 770 | 46.0 | 1.0 |
| 1981 | 139 | 11.5 | 0.0 | 109 | 20.2 | 0.9 |
| 1982 | 186 | 8.3 | 0.3 | 907 | 18.8 | 0.4 |
| 1983 | 436 | 8.5 | 0.0 | 432 | 25.7 | 0.9 |
| 1984 | 900 | 7.3 | 0.2 | 846 | 12.4 | 0.8 |
| 1985 | 135 | 11.8 | 0.0 | 57 | 31.6 | 0.0 |
| 1986 | 508 | 5.9 | 0.4 | 127 | 19.7 | 0.0 |
| TOTAL | 2,517 | 8.2 | 0.2 | 3,248 | 24.8 | 0.7 |

Deworming, record treatments, stricter monitoring, no assembled calves, direct sales, calves too fleshy, limited grain, and phased out government involvement in the program in favor of a viable way of conducting business between producer and buyer were also suggested by cattle feeders.

Some of these concerns can be considered by the Advisory Committee, but others may correct themselves over time and through the market place as buyers discriminate on price.

Generally, the comments were positive and constructive. "Since we bought our calves we have had virtually no trouble, while our neighbors have had terrible times with unconditioned calves. Our calves get off the truck ready to eat and have been gaining weight since the day we got them. I think in years to come preconditioned calves will bring higher and higher premiums as more people buy them. We feel at the present time calves that have passed through this program are a bonus to the buyer. With next to nil veterinarian bills and the fact that the calves gained weight every day that we owned them, we feel that any premium paid for the calves is returned with interest many times over. This is the first time we have ever fed calves and we are obtaining results that are better than many experienced feeders. We have many friends and neighbors who have seen our calves and said they would be trying preconditioned calves next fall".

Another commented: "Wish there were more preconditioned calves for sale".

These remarks are encouraging for the future of the preconditioning program. The good experiences these feeders with ACPF calves have is the best advertising the program can get. Certainly these feeders will be back next year and so will their neighbors.

Some of the larger feedlots which bought preconditioned calves had some problems, but generally felt the preconditioned calves responded well.

One commented: "Calves still get sick, but have more strength and have some immunity to secondary infection, calves respond faster." Other feeders disagree with this statement, and say the preconditioned calves don't get sick as often, but when they do, they are harder to treat. It is possible that both these feeders are correct and only the severity

of the disease challenge is different. Investigation of a disease problem in one feedlot was interesting. Nine preconditioned calves out of 58 as well as many regular calves had come down with a high fever approximately ten days after arrival and were not responding well to treatment. When we traced the ear tag numbers we found all the ACPF calves with high fevers came from only two herds. We went back to these producers and checked their records and found these to be strong healthy calves that had not been treated during the preconditioning period as calves. Both these herds were relatively isolated. Possibly these calves had never been exposed to the disease and had no immunity, whereas calves in the other herds which did not become sick had been exposed and had developed immunity.

Feeders must realize that although the preconditioned calves have been vaccinated with IBR-$PI_3$ and multi clostridial vaccines there are still a number of diseases in the feedlot to which calves have no immunity. As a result, disease problems are definitely reduced, but not eliminated.

In past years, there have been problems with calves getting through the program without being castrated or dehorned. This year producers and veterinarians have done an excellent job of checking these calves. Only one complaint of a bull occurred and the producers record showed the individual as a heifer.

Cattle feeders who are not happy with Alberta Certified Preconditioned calves are encouraged to contact the Health Management Branch of Alberta Agriculture or the co-ordinator of the ACPF program. Any complaints are then followed up and the producer and veterinarian involved are notified and encouraged to explain to the feeder how the problems occurred. Through this communication the appropriate producers are made aware of the concerns of the feedlot operators.

## VI. CONCLUSION

In spite of the extremely wet fall, strong calf prices in September and ample feed supplies, the actual number of calves certified under the ACPF program has increased substantially. Intentions to precondition were high with over 40,000 tags going out to veterinarians as they planned their fall programs. In the end, the final figures showed 21,883 calves were certified.

The preconditioned sales were well supported by local buyers. Premiums averaged $5.00/cwt. Eastern buyers were represented at most sales, but only about 10% of the calves were bought by Ontario and Quebec feeders.

In most cases, those people that went ahead with preconditioning were well rewarded for their efforts. Low feed costs, good gains, longer weaning periods and a strong market resulted in returns of over $50. per calf for most producers. The basic demand for preconditioned calves is strong and the economics for the producer who does a good job, are very favorable.

The calves performed well in the feedlot again this year. Death loss and treatment rates in preconditioned calves were about a third of the level experienced in regular calves.

The program is not without its problems. There has been concern expressed by producers that the program is being abused. The length of the weaning period and quality of veterinary inspection has been questioned by some. The practice of assembling and preconditioning calves bought through the auction in early fall is opposed by producers and buyers. However, these cattle are often discounted, making the economics a significant deterrant. These problems and others will be addressed by the Advisory Committee this summer and hopefully solutions will be developed.

Many producers consider the Alberta Certified Preconditioned Feeder program as a viable option for marketing their calves. Their decision to continue with the program is often governed by weather, markets, feed supply, cash flow and fall work. There will be years when preconditioning does not fit into their fall program. This should be considered normal, and 1986 was one of those years for many.